

Meeting #1 Summary

Clean Water State Revolving Fund

Advisory Committee Rulemaking 2022

July 29, 2022

Virtual Zoom meeting

List of advisory committee member attendees

Clean Water State Revolving Fund 2020 Rulemaking Advisory Committee Members in Attendance (or on the phone) for Meeting #1 on Jan. 14, 2020

- April Snell, Oregon Water Resource Congress
- Karen Lewotksy, Oregon Environmental Council
- RosAnna Noval, Rural Community Assistance Corporation
- Rose Ojeda, CASA of Oregon
- Joy Aldrich, Oregon Housing and Community Services Department
- Jason Green, Oregon Association of Water Utilities
- Tamra Mabbott, Morrow County
- Tracy Rainey, League of Oregon Cities/Oregon Association of Clean Water Agencies/Special Districts Association of Oregon
- Sara O'Brien, Willamette Partnership
- LaDonn McElligot, USDA Rural Development

List of Oregon DEQ staff attendees

Sanne Stienstra (Facilitator), Chris Marko (CWSRF Program Coordinator, Rulemaking Lead), Lynn Barlow (CWSRF Program Manager), Oscar Orejel (CWSRF Senior Loan Specialist), Ryan Phillips (Program Analyst), Kathy Estes (CWSRF Contracted), Sam Ferguson (CWSRF Loan Specialist), Daniel Schick (Administrative Specialist), Trina Brown (Administrative Specialist), Jennifer Wigal (DEQ Water Quality Administrator)

Members of the public

Carl Tappert, Rogue Valley Sewer Services

Topics and Discussion

Introductions and purpose

Welcome and logistics – Lynn Barlow, CWSRF Program Manager welcomed rulemaking advisory committee members. This will be an 18-month engagement including rulemaking and this group will serve as a standing advisory committee beyond rulemaking. This rulemaking was triggered by passage of the Bipartisan Infrastructure Law in November 2021. The significance of BIL includes:

- Bipartisan support for funding replacement and renewal of infrastructure across the nation
- Unprecedented “once in a generation” investment in infrastructure
- Funding to target “disadvantaged communities”, environmental justice priorities – states are encouraged to address processes to target disadvantaged communities.

BIL triggered the need for Oregon CWSRF to address requirements in rule. CWSRF is leveraging this



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Quality

Clean Water State Revolving Fund

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Oregon's air, land and
water.*

opportunity to look at program practices to address priorities. This advisory committee was recruited to help address rulemaking and priorities. Lynn thanked committee members for participation and time.

Introductions of DEQ staff:

Sanne Stienstra – DEQ staff, facilitator

Chris Marko – CWSRF program coordinator, lead for rulemaking, presenting

Trina Brown – Administrative specialist, logistics

Ryan Phillips – CWSRF program analyst, presentation on environmental justice criteria

Oscar Orejel – CWSRF senior loan specialist

Daniel Schick – Administrative specialist, office support/minutes

Kathy Estes – CWSRF former senior loan specialist, contracted services, experience with rulemaking

Sam Ferguson – CWSRF loan specialist

Jennifer Wygal – DEQ water quality administrator to join during meeting

Sanne Stienstra asked if there is anyone from the public for public comment. No response.

Committee membership introductions

Committee members were asked to introduce themselves including name, affiliation, why they are interested in the CWSRF and RAC, what unique aspects their organization brings, expectations and desired outcomes.

April Snell: Executive Director of the Oregon Water Resource Congress. Her organization works with irrigation districts and agricultural water suppliers around the state. Previously served on rulemaking advisory committees, interest in irrigation districts who use the CWSRF to pipe open canals to improve water quality and quantity.

Karen Lewotksi: pronouns she/her, Oregon Environmental Council Water Program Director and lead for Rural Partnerships Initiative. OEC has worked on water quality issues for nearly 50 years, history with DEQ. Interest in getting funding into hands of communities to improve water quality and quantity. Have served on rulemaking advisory committees before, looking forward to participating.

RosAnna Noval: Rural Community Assistance Corporation (RCAC), nonprofit that provides technical assistance and training to rural communities, work on drinking water, wastewater, solid waste and environmental justice issues. Technical assistance for communities to access state and federal funding, work on a variety of issues related to BIL in multiple states. Interest in what Oregon is doing compared to other state SRFs are doing to meet BIL requirements, input to Oregon, tools to help ensure small communities get the most out of BIL funding.

Rose Ojeda: Director of Manufactured Housing Cooperative Development Center Director at CASA of Oregon, nonprofit helps residents purchase manufactured dwelling parks, mostly rural, help with financing, parks are older and need new infrastructure, replacement, lenders requiring replacement up front, need to raise capital to resolve infrastructure issues, many rural areas on septic systems and well systems, urban areas have older systems, owners not resolving failing infrastructure. CASA is a certified Community Development Financial Institution, community loan fund using U.S. Treasury and other funds to help with infrastructure costs of manufactured dwelling parks.

Joy Aldrich: Oregon Housing & Community Services, housing finance agency for the state, provide energy assistance, water assistance and weatherization assistance through Community Action Agencies throughout the state. Have served as administrative rules coordinator for OHCS, operate Low Income Household Water Assistance Program, temporarily in place, federal funding, water assistance for low-income households, State Home Oil Weatherization Program, water assistance is 60% area median

income, similar to 200% poverty level, SHOW is a unique program, two sectors, one not based income and one is based on income. Interested in household perspective beyond cities and rural districts.

Jason Green: Oregon Association of Water Utilities, membership association, technical assistance and training to both members and nonmembers, drinking water and wastewater management, interest in having utilities and members access to funding to address projects and plans.

Tamra Mabbott: Planning Director for Morrow County, Oregon. First time on rulemaking advisory committee for water, has served on committees for land use, energy facility siting. Niche is rural planning, Eastern Oregon, Planning Director in Morrow County, previously Department of Land Conservation and Development rep in Eastern Oregon, worked with small communities with limited capacity for staffing and funding. Difficult part was accessing funds to convert onsite septic systems in a floodplain, access funds for sewer system, and to upgrade water systems. Worked for City of Umatilla to access funding to help community of households, 45 residents, building infrastructure. Drinking water nitrate emergency in north Morrow County/ west Umatilla County, Groundwater Management Area, funding for long term solutions, study the cause of drinking water problem, needs for funding solutions.

Tracy Rainey: Representing multiple entities, Oregon Association of Clean Water Agencies, a membership association representing wastewater and stormwater utility providers, League of Oregon Cities, and Special Districts Association of Oregon, works for Clean Water Services, wastewater utility provider in Washington County, prior was LOC policy staff person water and natural resources. Infrastructure funding is a passion, how to make critical investments in failing infrastructure systems, traveled around state, small communities, interest in addressing capacity challenges.

Sara O'Brien: Executive Director for Willamette Partnership, work mostly in Oregon and Washington to address natural resource issues across sectors, work with local governments, water utilities and community groups to implement future ready infrastructure, helping to address inequitable past investments in infrastructure, leveraging natural systems, recovering from climate impacts. Creative solutions to address aging infrastructure, interested in connecting more with CWSRF and BIL, interest in community engagement, experience facilitating rulemaking advisory committees.

LaDonn McElligot: USDA Rural Development, Area Specialist and acting Oregon State Community Programs Director, focus on water and sewer and community facilities for small rural communities. DEQ CWSRF is a key funding partner, interest in learning more, helping to make things work for our communities.

Sanne and Chris indicated DEQ will make sure connections between committee members connected and send information. Goal to strengthen partnerships to address needs of communities with CWSRF.

Chris noted for record two RAC members not present: **Celeste Davis**, Northwest Portland Area Indian Health Board, **Dylan Kruse**, Sustainable Northwest.

Review Advisory Committee charter, roles and responsibilities

(See CWSRF 2022 Rulemaking Advisory Committee Meeting presentation slides 1-12)
The purpose of this meeting is to provide a high-level overview of the RAC, Bipartisan Infrastructure Law, and the rulemaking. Specific rule language and proposed changes will be address at future meetings.

Advisory Committee Charter

- Committee will serve a minimum of 18 months
- Committee will provide guidance for roles and review changes as needed.
- Mitigate risk and ensure funding in perpetuity.

Roles and Responsibilities

- Committee Members
- Provide DEQ with relevant research and documents cited during meetings
- Contribute constructively and in good faith.
- Follow meeting interaction guidance.
- Facilitator
- Encourage open and candid dialogue
- Manage meeting and time
- Active listening
- DEQ Staff
- Provide meeting material two weeks prior
- Encourage open discussion
- Provide clear description of members roles and responsibilities

Rule language, how much detail needed in rule

Diane Lloyd, Assistant Attorney General for Oregon DOJ: advising DEQs water quality program.
Oregon Administrative Procedures Act definition of rule (see slides).

What is the difference between a rule and statute?

- Rule: Is a law enacted/repealed by a state agency consistent with state and federal constitutions/laws – note Environmental Quality Commission has delegated authority.
- Statute: Is a law enacted/repealed by the legislature and signed by the governor consistent with state and federal constitutions/laws.

Why have rules and when are they required?

- Fills gaps left by statutes
- Government accountability and public input
- Interpret delegated authority from legislature
- Promote consistency and protect the public from arbitrary action
- Rules required when statutes say a rule is required
- Required when amending or repealing existing rules
- When agency action meets definition of a rule (ORS 183.310(9) – interest of the public

When are rules not required and what should not go into them?

- Guidance/directive to staff to implement a program (i.e. CWSRF program, may be need to have less in rule)
- When the statutes are clear enough to administer without rulemaking (no reason to repeat in rule)
- When interpreting existing rules under ORS 183.310(9)(a)(b).
- When action does not meet definition of rule (directives within agency between officers/employees to implement a program, which do not substantially affect interests of the public)
- Unlawful delegation to another entity by adopting its standards
- Restatement of statute
- Suggestions, ambiguous or unintelligible language

- *Anything already governed by federal requirements (noted could be important in task at hand, do not need to address anything if federal government has already mandated, need to pivot based on changing requirements)*

When is a rulemaking committee needed/required?

- Not a requirement.
- However, agencies often implement them to review the fiscal impact statement.
- Offers opportunity to challenge the agency’s analysis and provide stakeholder engagement.

Question: (Karen Lewotsky) when is rulemaking advisory committee required?

DOJ indicated there is not a requirement to convene a rulemaking advisory committee, benefit of RAC helps ensure input from interested parties, common to involve a RAC.

DEQ indicated the agency decided to convene this RAC to find opportunities to meet requirements of the BIL, impact on communities, RAC input on policy matters, guidance on requirements related to BIL, opportunity for input on program over next five years, transparency. DEQ typically does convene a RAC for rulemakings.

Question: (in chat) will Diane’s presentation be available on the website?

Yes, DEQ will post the overall presentation with DOJ slides on website.

Scope of Rulemaking – high level overview

(See slides 13-22)

OAR 340-054-0065 Clean Water State Revolving Fund Loans to Public Agency Borrowers: Loan Types, Terms and Interest Rates (Principal forgiveness and affordability criteria)

Principal forgiveness (loan) – known as “additional subsidy” by federal government, required as percentage of capitalization grant. BIL new requirement for CWSRFs to provide 49% of the BIL supplemental cap grant as principal forgiveness.

- Current limits for PF are 50% of a loan, up to \$500k.
- Current limits do not allow increase required by new federal BIL legislation.
- BIL supplemental capitalization grant to supplement 49% of loan forgiveness.
- Discussion on a rule change to allow for more flexibility to increase amount of PF, will discuss specific proposed rule changes at next meeting.

Affordability Criteria

- Affordability criteria are required under the Clean Water Act (CWA).
- CWSRF does not focus on “disadvantaged communities”, Clean Water Act has requirements for what needs to be included in affordability criteria
- The term “disadvantaged communities” is used by Drinking Water State Revolving Fund programs under the Safe Drinking Water Act (SDWA).
- Consideration of environmental justice in affordability criteria.

CWSRF intends to remove detail in rule regarding principal forgiveness and affordability criteria to allow more flexibility to meet requirements and to make adjustments to the program to address priorities. The program intends to include language regarding PF and affordability criteria in the Intended Use Plan, as EPA requires principal forgiveness and affordability criteria in the IUP. This is an example of what DOJ referred to as language to meet federal requirements not needed in rule.

OAR 340-054-0026 CWSRF Project Ranking Criteria for Non-planning Loans

OAR 340-054-0027 CWSRF Project Ranking Criteria for Planning Loans

Project Ranking and Scoring

- Required to be included along with affordability criteria when submitting intended use plan (IUP) to EPA.
- Fairly detailed within rule, but the program proposes to reduce detail in rule and document details of scoring criteria in existing program guidelines and the IUP to meet EPA requirements.

CWSRF intends to remove detailed guidance for project ranking and scoring from rule and include in the IUP. EPA requires CWSRF to include scoring criteria in IUP.

OAR 340-054-0025 Intended Use Plan (IUP) and Project Priority List

Intended Use Plan

- Published three times per year
- References requirements
- Includes project priority list, affordability criteria and reference to principal forgiveness requirements
- Framework for meeting requirements to work with EPA

The IUP is a foundational document required by EPA. A copy was provided to the committee prior to the meeting. Committee is encouraged to become familiar with the IUP.

Environmental Justice Metrics

- Focus on program considerations
- Rule changes will allow more flexibility to incorporate EJ metrics for consideration in the program for project funding.
- Responsive to community needs.

CWSRF 2022 Rulemaking Milestones and Timeline

- Appoint rulemaking committee members June 14, 2022 (done)
- Schedule 3x RAC meetings July 1 – September 30, 2022
- RAC meeting #1 July 29, 2022 (in progress)
- File Public Notice October 28, 2022
- Complete EQC staff report December 18, 2022
- DEQ request EQC action on final proposed rules January 17-18, 2023

CWSRF program overview – focus on program areas relevant to rulemaking

(See slides 23-37)

The basics of the program:

- CWSRF funds water pollution improvement projects: water quality, infrastructure and finance
- Oregon CWSRF program fundamentals – Clean Water Act, borrower and project eligibilities, key finance info, EPA federal oversight
 - Created as part of the Clean Water Act 1987, implemented in 1989 in Oregon
 - \$1.4B in funding to more than 200 borrowers over the past 30 years.
 - \$750M loan portfolio at any this time.
 - How the fund revolves
 - Loan repayments – loan is repaid and loaned back out to borrowers (“revolves”)

- Annual fees
 - Supports salaries and operations
- Federal capitalization grants (Cap Grants)
 - Annual base cap grant
 - Future Bipartisan Infrastructure Law supplemental cap grant
- State match – bond debt service

Jennifer Wigal, Water Quality Administrator: welcomed committee members, emphasized how BIL and rulemaking are great opportunities for CWSRF to “do more good” including principal forgiveness and environmental justice. Jennifer expressed great appreciation to committee for providing input to make the program even better to address needs of communities, water quality and infrastructure in Oregon.

EPA Context and Resources: covered CWSRF authority under Clean Water Act, eligibilities

Action: *Chris will send link to EPA CWSRF Eligibilities Guide to the committee*

State Context and Resources: CWSRF website reviewed, interest rates, BIL, green projects, requirements for planning, design, and construction, loan application process, loan information request form developed to address interest early in process, link to Annual Report 2021 (also sent to committee prior to meeting).

- Water Quality: Loan types
 - Point Source pollution control
 - Nonpoint Source pollution control
 - Planning (prior to design/construction project)
 - Local Community (Public works projects)
- Financing: Below market rate loans
- Interest accrues only on disbursement amount, not full loan amount.
- Repayment begins six months to one year after project completion.
- Infrastructure: Wastewater, stormwater, irrigation, other

Question: (Tracy Rainey) if eligible applicant is approved for a loan, what are requirements for reporting and managing the loan? Expressed concerns about time and resources needed to meet requirements after loan is approved... are there many requirements?

DEQ indicated there are several requirements, federal requirements include American Iron and Steel, Build America Buy American (guidance pending), Davis Bacon, Environmental Review, Disadvantaged Business, Cost Effectiveness certification, CWSRF informs communities to plan time for meeting requirements, developed loan information request form to address project, funding needs and requirements early in the process, financial capacity, addressing capacity to take on a loan. Interest in addressing challenges particularly for disadvantaged communities, BIL opportunities.

Question: (Rose Ojeda) is DEQ the responsible entity for National Environmental Policy Act? DEQ is the lead agency on environmental review, cross cutters, work with borrowers on consultation.

Principal forgiveness

- Defined in OAR 340-054-0010
- Up to \$500k or 50% of the loan.
- Eligibility
 - Distressed community (based on “affordability criteria”) per Oregon Distressed Area Index, approved EPA green project, or ratepayer hardship.
- Subject to:
 - Availability of funds, readiness to proceed to loan agreement after meeting requirements.

Question for clarification: (Sara O’Brien) this is referencing current requirements for principal forgiveness in state rule to be addressed in rulemaking? DEQ confirmed yes.

Affordability criteria - what is affordability criteria and how does the program define and use affordability criteria?

- Clean Water Act Section 603(i) identifies what is required to be included in each state program’s affordability criteria:
 - Income data, unemployment data, population trends, and other state data as deemed appropriate.
- Oregon CWSRF currently uses the Oregon Distressed Areas Index. Distressed Areas are defined by OAR 123.24 primarily including:
 - County unemployment rate
 - County per capita person income divided by state per capita personal income.
 - Change in county average covered payroll per worker in the last two years
 - Sum of change of county employment in the last two years.

CWSRF adopted affordability criteria in 2015 as required by the Water Resources Reform and Development Act amendments to the Clean Water Act.

Question: (Karen Lewotsky) how does the program figure out how much of the program can be provided as principal forgiveness? How is it factored into the health of the loan fund?

DEQ referred to cap grant requirement to offer a certain percentage of cap grant as principal forgiveness and the BIL requirement to provide 49% of the BIL supplemental cap grant as principal forgiveness. DEQ conducts financial modeling to analyze how much the loan fund can provide in principal forgiveness while maintaining perpetuity of the fund.

Oregon CWSRF Project Ranking and Scoring Non-planning and Planning Loans

- Non-Planning Loans
 - Category 1 – 3
 - Water Quality Standards and Public Health Considerations
 - Watershed and health benefits
 - Other considerations
- Planning Loans
 - Multiple water quality benefits/restoration projects
 - Sustainability
 - Financial, managerial, technical capabilities
 - Natural infrastructure integration

Oregon CWSRF Intended Use Plan

- Annual IUP required by EPA
- Project priority list required
- Scoring and ranking required to be documented in IUP
- Affordability criteria required to be documented in IUP
- Review and score applications three times per year
- IUP is updated three times based on application cycles
- Public comments period for transparency.
- Copy of current IUP provided to committee

Bipartisan Infrastructure Law

Signed into law 11-15-2021

- EPA Bipartisan Infrastructure Law Implementation Guidance Memo issued March 8, 2022 including key provisions and priorities.
- Oregon CWSRF BIL priority areas
- Principal forgiveness - EPA requirement to increase PF for the program
- 49% of each BIL general supplemental capitalization grant is required to be awarded as principal forgiveness
- Affordability criteria - EPA recommendation for CWSRF programs to review
- Prioritize disadvantaged communities.
- Per an amendment to the Clean Water Act, 2% of each Cap Grant amount is available to be used toward Technical Assistance to applicants and borrowers.
- Build America Buy America domestic preference requirements (Guidance pending)
- Emerging contaminants (Cap Grant)
- Program coordination – EPA, Drinking Water SRF, stakeholders, CWSRF advisory committee
- Timeline - rulemaking, BIL cap grant application, program implementation considerations

EPA Capitalization Grant Funding FFY2022 Allocated for Oregon CWSRF

Annual Base Cap Grant	BIL Supplemental Cap Grant	Emerging Contaminants Cap Grant
\$13,071,000	\$20,271,000	\$1,064,000

- 49% of BIL cap grant amount must be provided as principal forgiveness
- Technical assistance: *2% of each cap grant amount* is available for TA
- Emerging contaminants cap grant of \$1,064,000 available each year

Estimated BIL Funding for Oregon CWSRF Over the Next Five Years

FFY2022 (EPA allocated)	\$ 20,271,000
FFY2023 (EPA estimated)	\$ 23,578,386
FFY2024 (EPA estimated)	\$ 25,730,637
FFY2025 (EPA estimated)	\$ 27,872,179
FFY2026 (EPA estimated)	\$ 27,872,179
Total	\$125,324,381

BIL Implementation – Oregon CWSRF Milestones and Timeline

Milestone	Target Dates
Apply for base cap grant FFY2022 to EPA	June 30, 2022 (complete)
CWSRF loan application review cycles	<ul style="list-style-type: none"> • August 12, 2022 • December 9, 2022 • April 8, 2023
Update Intended Use Plan	<ul style="list-style-type: none"> • November 2022 • April 2023 • August 2023
Contract for technical assistance	January 1, 2023
Apply for BIL Supplemental Cap Grant	January – March 2023
BIL funding implementation	April 2023

Rulemaking Advisory Committee Milestones and Timeline

Milestone	Target Dates
RAC Meeting #1	July 29, 2022 (complete)
RAC Meeting #2	August 19, 2022
RAC Meeting #3	September (TBD)
DEQ presents proposed rule changes to EQC	January 2023
CWSRF standing advisory committee continues	January – December 2023
BIL funding implementation with rule changes	April 2023

Question: (Rose Ojeda) What are considered emerging contaminants?

DEQ just asked EPA for a list of emerging contaminants. There is not a list. Emerging contaminants are contaminants that are not regulated and are known to be present in the environment. DEQ has raised issue of harmful algal blooms, EPA guidance indicated causes of harmful algal blooms related to regulated contaminants would not be eligible under emerging contaminants. EPA may be revising this guidance. PFAS is a category of primary emerging contaminants, more related to drinking water systems. DEQ is working on strategies to identify needs to address emerging contaminants with new funding for CWSRF.

DEQ staff provided a reminder of public comment and to sign up for public comment at end of meeting.

Environmental justice criteria under consideration by the program

(Presentation)

Goal: To identify and prioritize assistance to communities that are economically distressed, public health burdened, and water pollution burdened.

Definition of “environmental justice”

- HR 4077 (passed in 2021): Equal protection from environmental and health risk for all with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.
 - Inputs: Meaningful involvement in decision making
 - Outputs: Equal protection from environmental and health risks and fair treatment

CWSRF’s mission and environmental justice

- Provide financial assistance to communities to prevent and mitigate water pollution

Criteria under consideration

- Economically distressed
 - Financial burden paying for water infrastructure
 - Low income and/or high unemployment
- Health Burdened
 - Environmental pollution had greater impact on health outcomes.
 - Low life expectancy and/or elevated health risks
- Pollution Burdened
 - Negative effect on quality of life
 - Located near water body contaminated by pollutants
 - Located near a facility that has a compliance violation

How environmental justice will be prioritized

- Scoring and ranking of loan applications
- Targeting outreach
- Targeting technical assistance
- Determining principal forgiveness awards

Question: (Rose Ojeda) Will climate change be factored into environmental justice criteria?

DEQ indicated currently it is not being considered directly since it is already part of our scoring criteria, climate resiliency. Climate resiliency is under green project category “environmentally innovative”.

Question: (Rose Ojeda) Will there be flexibility in funding decision because of natural disaster?

DEQ indicated resilience is an emerging theme with EPA. Green project categories address climate resiliency, open to considerations of how to further address with wildfires, mitigation, preparation for climate ready infrastructure.

By identifying and prioritizing assistance to communities that are disproportionately burdened by water pollution, DEQ CWSRF will advance the goal of ensuring that all Oregonians are equally protected from environmental and health risks.

Next meeting:

- EJ metrics under consideration
- Analysis of effects
- Comparison with current affordability criteria

Wrap up with committee and next steps

Final thoughts, questions, comments from the committee:

Sara O’Brien, Willamette Partnership – great job, easy to pay attention for four hours, information was accessible, have wanted to learn more about the program, this was great.

Karen Lewotsky, Oregon Environmental Council – great advisory committee, excited about how well organized, thoughtful, easy to follow train of thought, shared understanding, will make it easy to work on this.

LaDonn McElligot, USDA Rural Development – interest in technical assistance, could a community receive technical assistance to support funding from any agency. DEQ indicated TA is directed to publicly and tribally owned treatment works, and small communities with 10,000 population threshold. BIL TA should be directed at projects expected to be funded under BIL, may be able to apply more broadly. DEQ will get clarification from EPA if TA can be used to secure funding from other funding. TA will be available in perpetuity, applies to 2% of base cap grant, 2% of supplemental cap grant, and/or 2% of emerging contaminants cap grant. TA is long term, new, and will evolve over time. DEQ will continue to work with EPA on how we can target funds and will continue to work with partners to meet the needs of communities in Oregon.

Tracy Rainey, Oregon ACWA, LOC, SDAO – echo comments for the organization of information, as indicated went by fast! Question if One Stop process is still happening? Interest in potential opportunity to point smaller disadvantaged communities to other funding to compliment CWSRF (or drinking water SRF), how to make sure smaller disadvantaged can manage the process for funding, maximizing resources. DEQ indicated One Stops are still happening and increasing in frequency. The CWSRF loan information request process includes reference to One Stops in addition to CWSRF program. DEQ will continue working with partners to address funding and capacity needs across the state.

Tamra Mabbott, Morrow County – absorbing, nice job.

Jason Green, OAWU – thank you very much for the information, presented a lot.

Joy Aldrich, OHCSO – really good RAC, two comments: working with municipalities and smaller water districts including Morrow County, TA is much needed. Wastewater entities can't hire people, TA to help walk through on how to apply for funds, talk "community talk", easy to understand, guidance. If DEQ needs anything regarding resiliency, Joy can track down OHCSO documents regarding wildfire, manufactured housing, responses with energy assistance. Not water related yet.

Rose Ojeda, CASA of Oregon – big thank you for the thoughtful presentation, great learning more about this funding source, thought it was only available to municipalities, appreciated presentation on environmental justice. Pleased we are addressing EJ in prioritization of funding.

DEQ reminded the committee that if members have additional questions or comments, feel free to send to mailbox prior to second meeting to address.

Next RAC meeting #2 will include presentation of proposed rule changes for input by the committee and more detailed analysis on environmental justice metrics for input by the committee.

Over the next few months, CWSRF will be addressing rule changes to allow more flexibility to address program requirements. CWSRF will address other aspects of the program including environmental justice with the committee beyond rulemaking.

Public comment

Carl Tappert, General Manager for Rogue Valley Sewer Services in Jackson County, acknowledged start of rulemaking phase, comment on the potential adverse result from relaxing principal forgiveness rules, current eligibility is up to \$500,000, if increased much higher, chance that larger projects could use up available principal forgiveness and leave some smaller communities and projects out. Suggest making sure projects that are eligible would get at least minimum of principal forgiveness currently available to them before we start expanding to other projects.

DEQ staff acknowledged the comment. DEQ staff provided a reminder of the opportunity for public comment in future RAC meetings and public notice is targeted for October 2022. DEQ staff thanked the committee members with a reminder of RAC meeting # 2 August 19, 2022, 9:00 a.m. – 12:00 p.m..

Alternative formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.state.or.us.